

# Montana Consumer Counsel



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October 31, 2003

Representative Alan Olson, Chair  
Energy and Telecommunications Interim Committee  
P.O. Box 201706  
Helena, MT 59620-1706

RE: Bankruptcy Participation Inquiry

Dear Chairman Olson:

I am writing to respond to your inquiry regarding Consumer Counsel's participation in the Northwestern Corporation bankruptcy proceedings. Responses to your specific questions are as follows:

1. Participation in bankruptcy proceedings and interests represented

MCC is participating in the bankruptcy proceedings. MCC generally represents consumer interests pursuant to Art. XIII, Sec. 2, of the Montana Constitution, and Section 69-2-202, MCA.

2. Party status

MCC has standing as a "party-in-interest" in the bankruptcy proceedings, and we have been formally participating as such.

3. Estimated cost and agency funding

There are many unknowns in these proceedings that can affect costs. However, we estimate our legal costs to be \$180,000 through FY04. MCC has a contingency fund that, at this time, we believe is sufficient to cover these costs. MCC is also working with the PSC, Attorney General, and Governor's Office regarding the retention of a Financial Advisor. I believe the Commission's response to your letter will address the Financial Advisor cost estimates.

4. Coordination plans

MCC has met to discuss coordination with representatives of the PSC, Attorney General, and Governor's Office. As our interests are relatively aligned, MCC has been working closely with the PSC to ensure efficient use of resources. Representatives of our agencies communicate and meet regularly. We expect to continue to coordinate and work with all of these offices.

I appreciate the Energy and Telecommunications Interim Committee's role in issues regarding utility service for Montanans, and agree that the viability of default service is of great importance. As you know, MCC is actively involved as a consumer representative in many of the issues that your Committee will be considering. We would be happy to participate and provide information and input as you consider appropriate.

Please let me know if the Committee would like any further information regarding MCC's activities.

Sincerely,

Robert A. Nelson  
Consumer Counsel

Cc: Mr. Bob Rowe, Chairman, Public Service Commission  
Attorney General Mike McGrath  
The Honorable Governor Judy Martz  
Mary Vandembosch, Energy and Telecommunications Interim Committee